whereas prior to the new policy, there were 345 plus medicines trader the control list:

(b) whther it is also a fact that calling of profit margin has also been raised by 4 of the capital employed; and

(c) if so, what measures government contemplates to take to protect the interests of the poor people who are likely to be adversely affected as a result of these measures?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO): FALEIRO): (a) No, Sir. Under the Drugs (Prices Control) Order, 1995 there are 76 bulk drugs under price control as against 142 bulk drugs under DPCO, 1987.

(b) and (c) No, Sir. The return the investment in case of bulk drugs in genral continues to be at the same rates of 14 per cent on Net worth and 22 per cent on capital employed as under earlier, DPCO'87. However, in caes of basic manufacture provision of additional 4 per cent has been made under DPCO" 95 in order to en-courage basic manufacture to reduce dependence on imports and to ensure availability to consumers.

**Encouragement to indigenous Research and Development of Drugs**

1717. SHRI GOPALSINH G. SOLANKI : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Governments have initiated any scheme to encourage indigenous Research and Development in the. field of Drugs;

(b) if so, the details of the financial assistance given in this regard; and

(c) the names of bulk. drugs exempted from price control?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO):

(a) to (c) Government have evolved, from time to lime fiscal incentives and support, measures to encourage R&D in Pharmaceutical Industry. The Planning Commission has made an allocation of Rs. 10 crores during 1994-95 to promote drugs and pharmaceutical research. Recently, the Inter-Ministerial Group set up by the Department of Chemicals and Petrochemicals, in pursuance of the modified Drug Policy, has submitted its report to the Government. It has recommended that special package of fiscal incentives may be granted to encourage greater investment in Research and Development in this sctor.

The details of bulk drugs exempted from price control under the DPCO, 1987 is given, in the enclosed Statement (See below). Under the Modified Drug Policy, a new drug which has not been produced elsewhere, if developed through indigenous R&D would be exempt from price control for a period of 10 years from the date of commercial production in favour of the company who undertook the R&D.

**Statement**

*Deatils of bulk drugs exempted from price control*

| S. No. | Name of the Product | Name of Company | Period upto which exemption granted | Date of Exemption |
|---|---|---|---|---|
| 1 | Ranitidine | M/s. Ranbaxy Labs. | 30.09.93 | 16.06.89 |
| 2 | Metoclopromide HC | M/s. IPCA Labs. | 31.12.93 | 16.06.89 |
| 3 | Dextropropoxyphene HCl | M/s. Wockhardt | 25.04.90 | 16.06.89 |
| 4 | Salbutamol and its formulations | M/s Cipla | 31.08.93 | 9.10.90 |
| 5 | Ephedrine and its formulations | M/s. Malladi Drugs | 31.03.92 | 12.11.90 |
| 6 | Ranitidine & its formulations | M/s. Globe Organics | 31.03.93 | 12.11.90 |
| 7 | Amoxycillin Sodium and its formulation | M/s. Duphar Inter fran | 31.03.93 | 12.11.90 |
| 8 | Metoclopramide | M/s Infar (I) Ltd. | 31.01.94 | 04.02.91 |
| 9 | Nalidixic Acid | M/s. Ranbaxy Labs | 31.10.92 | 04.02.91 |
| 10 | Naproxen | M/s. Rallis (I) Ltd | 30.09.91 | 04.02.91 |
| 11 | Theophyline | M/s. Pefco Industries | Dec. 1992 | 20.12.91 |
| 12 | Betamethasone Disod Phosphate | M/s. Glaxo (I) Ltd. | 21.12.94 | 28.02.92 |
| 13 | Timolol Maleate | M/s. FDC Ltd. | 24.02.96 | 05.02.93 |
| 14 | Diclofenac Sod. | M/s. Unique Chemicals | 30.10.95 | 11.04.94 |
| 15 | Velapamil HCl | M/s. Associated Drugs | 28.02.94 | 04.02.91 |
| 16 | Povidonel odine | M/s Wockhardt | 31.12.95 | 28.02.92 |
| 17 | Glipizide | M/s. U.S. Vitamins | 31.12.96 | 04.06.93 |